

**Historic, Archive Document**

Do not assume content reflects current  
scientific knowledge, policies, or practices.



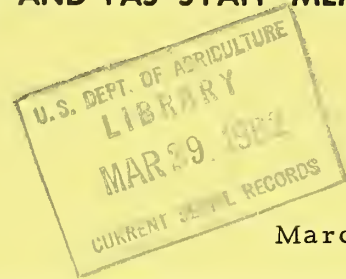
# Spotlight ON FOREIGN MARKETING



TO U.S. AGRICULTURAL ATTACHÉS AND FAS STAFF MEMBERS

A280.39  
F76S  
Cop 2

Vol. VI, No. 3



March 7, 1962

WASHINGTON COOPERATOR MEETING REVIEWS PROGRAMS AND FUTURE PLANS. An all day conference was held at FAS/Washington February 27 to review the over-all progress and plans for the Market Development Program. Thirty-six representatives from twenty-five of our cooperator organizations attended the meeting.

Assistant Secretary John P. Duncan, Jr. a speaker at the luncheon session, mentioned the progress of FAS and the cooperators in foreign agricultural market development, and the importance of maintaining and improving our access to foreign markets. In speaking of the European Common Market, Duncan commented, "The pattern of our future trade policy will determine to a large extent our success in selling farm products in the world's dollar markets... not only in Europe but in other areas sweeping changes in world trade are taking place." Duncan said, "The Washington staff of FAS and the attaches at their posts are giving top priority to this problem."

The conference agenda covered a wide range of topics with the cooperators taking an active part in each session. A major part of the conference was devoted to evaluation of market development projects, trade fairs and trade centers. Guidelines recently suggested to FAS by a market development evaluation team were discussed by the group.

Other topics on the agenda included "What the New Title 11 Regulations and Dollar Appropriations Mean to Cooperators," "Legislative Developments and What They Mean to our Market Development Programs," "Getting the Most out of Market Development Movies," and "The Possible Use of Floating Trade Exhibits in our Market Development Program."

The Floating Exhibit proposal was by representatives of the Isbrandtsen Lines, which is offering U. S. manufacturers and trade groups the transportation and use of portable display vans for exhibitions in a number of countries of the Near and Far East.

OPPORTUNITIES FOR USE OF LONDON TRADE CENTER. The Agricultural Attache's office in London is enthusiastic about the opportunities that await additional use of the London Trade Center. In addition to major exhibit space on the ground

(More)

floor, there is a small display space on the third floor which was used successfully for a cranberry exhibit last fall.

It would be appropriate for you to mention to cooperators working with you the availability of facilities at the Trade Center in London. Inquiries can be directed to the Trade Fairs Division, FAS, Washington, or the Agricultural Attache, London. Full use of the Trade Center in London will not only assist our trade development in England but the quicker we can push it into full operation the quicker we can assess possibilities for these in other part of the world.

EUROPE INTERESTED IN ANIMAL NUTRITION. Over 500 persons from all over Europe representing agriculture, industry, commerce and government attended the International Animal Nutrition Symposium recently held in Hamburg under joint sponsorship of the German Oil Millers Association and the Soybean Council of America. Professor Howard S. Teague of Ohio State University and Dr. Francil L. Coune of Cargill, Inc., both soybean technicians from the U. S., delivered principal papers presented during the Symposium. Both were literally swamped with inquiries, an indication of the growing European interest in Animal Nutrition.

U. S. WHEAT FOODS DEMONSTRATED IN EAST PAKISTAN. Wheat Associates, Inc., which represents wheat growers in the U. S. Pacific Northwest, recently participated for the first time in the Red Cross Exhibition at Dacca, East Pakistan. The Exhibit took the form of a wheat kitchen operated by a third-party cooperator, the Business and Career Women's Club of Dacca. Various kinds of wheat foods, including bulgur, were prepared and displayed at the booth.

The Governor of East Pakistan opened the Wheat Associates booth and expressed his appreciation of U. S., efforts to popularize wheat and wheat products with his rice-eating countrymen.

Cooked wheat foods in various forms were offered for sale at low prices to encourage spectators to sample the wheat dishes. Sales proceeds were donated to the Business and Career Women's Club toward the construction of a hostel.

"E" AWARDS AVAILABLE TO AGRICULTURAL EXPORTERS. A recent Presidential Order establishes a program under which exporters of U. S. agricultural products (including processed commodities) can win "E" awards for contributing to export expansion.

The Executive Order provides for recognition of contributions to both agricultural and industrial exports. The "E" award -- a pennant bearing a blue letter -- is for firms, organizations or persons engaged in marketing products who make significant contributions to export expansion. A special Certificate of Service may be awarded to persons, firms and organizations who make contributions to export expansion but who are engaged in activities other than the actual sales of products. Most market development cooperators would fall in the latter category.

Activities for which awards may be made include substantial increases in export volume, successful introduction of a new product into exports, a breakthrough in a market where competitive conditions are particularly difficult or opening of a new trade area previously closed to American exports.

FAS is representing the Department in administering the agricultural phases of this program, which is under the over-all direction of the Department of Commerce. Any attache wishing to make a nomination may obtain forms from the Office of the Assistant Administrator for Management.

(More)



LIVESTOCK PROMOTION GETS QUICK RESULTS. The work of one livestock marketing specialist in escorting a dairy cattle purchase team from El Salvador around the United States has produced approximately \$100,000 worth of export sales for U. S. cattlemen in less than six months time.

John Montel, U. S. Agricultural Attache, in working in close cooperation with the Ministry of Agriculture of El Salvador, requested FAS to make a livestock marketing specialist available to escort a dairy cattle purchase team around the United States. This was in April, 1961. This team purchased all of the animals on their list and returned to El Salvador with unspent funds.

These animals were made available to interested breeders in El Salvador at the actual CIF price. The animals were of such high quality and reasonable price that they were all sold within two weeks of their arrival. El Salvador Government was pleased with the FAS cooperation and the U. S. breeders were pleased with the new business. This team bought 34 head of registered dairy cattle.

In October 1961, the Agricultural Attache notified FAS that El Salvador authorities would like to arrange to have the livestock marketing specialist accompany the buying team from Honduras as had been planned for the first team from El Salvador. This was done. The two teams together bought over 130 head of registered cattle.

By January 15, 1962, El Salvador buying team returned to the United States to buy more livestock. This time they had their contacts with breeders, truckers, insurance men and export agents so the help of FAS was no longer needed. This team bought 68 cattle, hogs, goats, and other animals.

COOPERATOR CONTRIBUTIONS ON THE INCREASE. Cooperators contributed more than \$2 million of their own money in cash and services, to the market development program in 1961, according to a review of cooperator activity just completed. This is only the money raised in the United States and does not include amounts contributed by foreign groups.

The survey showed that there are more than 40 U. S. organizations actively cooperating with the Department in overseas market development at this time and that collectively at the end of 1961 they had about 90 U. S. citizens on their payrolls, paid with their own funds, who put a major portion of their time on overseas market development.

Compared with the resources U. S. agriculture was putting into foreign market promotion just a few years ago, this is outstanding progress.

The U. S. cooperators raise their funds largely through voluntary contributions from producers, warehousemen, elevators, cooperatives, processors, exporters and associations of these groups. In some states there are statutory "check-offs" to provide funds for market development, both domestic and foreign.

MARKET DEVELOPMENT EVALUATION DISCUSSED. The land grant college staff members who evaluated market development projects in West Germany, Italy and Japan in 1960 and 1961 were invited to Washington for a two-day meeting with FAS personnel in mid-February to discuss "where do we go from here with project and trade fair evaluation." Professors Elmer Learn and Randall Stelly of Minnesota and Texas A&M and their graduate assistants, together with Leon Hesser of Purdue who represented Professor Lowell Hardin, addressed themselves to such matters as the need for specific objectives of projects, how to measure project success,

( More )

evaluation of single commodity multiple country projects, follow-up of appraisals and trade fair evaluation.

A report containing recommendations is being prepared and will be distributed to attaches.

RICE EXHIBIT SUCCESSFUL IN ENGLAND. With the cooperation of European rice distributors, the U. S. Rice Export Development Association participated successfully in the 11-day Home Life Exhibition in Brighton, England, in January. Total attendance was about 65,000, and Miss Ann Smith, Rice Export Development representative, reports almost 2,000 packages of rice were sold.

This was a solo venture for the rice cooperator, and it chose to have a small stand only 10' x 10' with a simple design which was low in cost yet practical in operation. The stand was well presented with a hygienic appearance and was considered one of the best in the exhibition.

A Chinese girl was hired as one of the three assistants to Miss Smith, and the paradox of a girl from the rice-growing Orient helping sell American rice turned out to have considerable publicity value.

Importers who shared the cost of the exhibit were highly pleased and indicated that results were beyond their expectations.

GROWING INTEREST IN ATTACHE-COOPERATOR EXHIBITS. There is increasing interest in market development exhibits which are arranged by foreign-based representatives of cooperators aided by an agricultural attache, with a minimum of participation by FAS/Washington.

This is largely the result of 1961 experience in The Hague, where five cooperators operating in the Netherlands pooled their resources and funds and with the help of the attache conducted an effective exhibit at a 10-day international food fair.

The most ambitious exhibit of that type this year will be the U. S. appearance (our second) at Feria del Campo, the International Country Fair to be held at Madrid, Spain, from May 23-June 23. This fair, held every three years, attracted 4,200,000 visitors in 1959.

For the exhibit this year, a group of interested cooperators will pool funds, hire supervisory personnel and arrange for design, construction, and management. FAS/Washington is contributing to the costs and providing limited back-stopping. Cooperators participating include the Institute of American Poultry Industries, Soybean Council of America, Great Plains Wheat Association, U. S. Feed Grains Council, Tobacco Associates and National Renderers Association. Robert L. Hogue of Lafayette, Indiana, has been engaged as a consultant and fair manager.

The same plan of operation is being followed this year at smaller fairs in Venezuela and Ireland and at a special "Buy American" Fortnight planned in Brussels April 27-May 15.

MARKETS FOR SOYBEAN PROTEIN BEING EXPLORED. The Soybean Council in cooperation with several private U. S. companies, is sending a team of technicians to several Latin American and Far Eastern countries to investigate additional uses for soy protein in human foods. The team will investigate the manner in which soy protein can be used in customary native dishes with the equipment available for food preparation in the average home, school, institution, etc. It is expected that  
(More)



from this study a program may develop by which needed protein can be supplied to many additional people in foreign countries leading eventually to increased dollar sales of U. S. soybean products.

NEW TRADE AGREEMENT WITH COMMON MARKET. The White House announcement of new trade terms with the European Common Market in early March erases doubt about market access for several important export commodities.

From an immediate market development standpoint, the news is that we now know where we stand with EEC on products that account for about 70 percent of our \$1.1 billion annual agricultural exports to Common Market countries. For the other 30 percent, the future is still uncertain.

Bindings have been entered into with EEC for products accounting for about \$750 million of annual farm exports. Following are the products covered by bindings. First figure for each product is present tariff rate; second in new rate which will take effect on July 1, 1962. (More than one "old" or "new" rate means different countries had, or will have, different rates for these products.)

Fresh oranges, 15% - 15%; fresh grapefruit, 12% - 12%; fresh apples, 12% - 10%; dried prunes, 8 to 22% - 16%; raisins, 12% - 8%; canned fruits, 20 to 35% - 25%; canned asparagus, 35% - 22%; fruit and vegetable juice, 10 to 20% - 19 to 22%.

Raw cotton, free to 6% - free; vegetable oil seeds, free - free; oil cake and meal, free - free; crude soya and cottonseed oils, 6 to 25% - 10%; refined vegetable oils, 25% - 18%; unmanufactured tobacco (except wrapper), 19.4 cts. lb. - 28% with 17.2 cts. lb. maximum and 13.2 cts. lb. minimum; hides and skins, free - free; variety meats, cattle and swine, 10 to 20% - 20%; industrial tallow, free - 2%; rosin, free - 5%.

"Standstill" arrangements were secured for another \$214 million worth of exports to EEC. Included in this group were wheat, corn, grain sorghums, rice and poultry. EEC has agreed to negotiate further on these items with respect to trade access arrangements and to maintain existing national import systems on as favorable a basis as at present until a common agricultural policy is put into operation within EEC.

Not covered by either bindings or standstill arrangements are a group of products that account for \$123 million of the EEC market. Chief among these are rye, barley, oats, wheat flour, hops, fresh lemons, powdered eggs and cigar wrapper tobacco. For most of these EEC has adopted variable levies that can be expected to restrict access.

Considering both industrial and agricultural products, White House announcement said U. S. obtained tariff and other trade concessions from EEC and other nations on exports having a total value of \$4.3 billion in 1960 and made reciprocal concessions on imports valued at \$2.9 billion in the same year.

---

Issued by FAS, USDA, Washington 25, D. C. Distributed only to U. S. Agricultural Attaches and in the Department for internal use. Send your contributions to the Editor, "Spotlight." Deadline for next issue is 10 days after publication date.

